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SECTION 1 INTRODUCTION

1.1 PURPOSE

By December 3, 2005, the State of California Department of General Services, Telecommunications Division (DGS/TD), Office of Network Services (ONS) plans to replace the existing California Integrated Information Network (CALNET I) Master Services Agreement(Contract) (CNT-001). This effort is referred to as CALNET II, with the expected award to be for a five-year term with the possibility of two 1-year extensions. The DGS Procurement Division is conducting this RFP with the DGS/TD.

This document is a Request for Proposal (RFP) for individual companies or strategic teams who may be interested in supplying network and telecommunications services to the State. Ultimately, the State expects to award a single contract as a result of this RFP to obtain network and telecommunications services statewide. Primary contractors are encouraged to create partnerships with subcontractors. As the “single” provider and single point of contact, the primary contractor shall bear the full responsibility for the new Contract.

The State intends to continue to build upon the strategy first implemented in 1998 with the award of the CALNET I Contract. That strategy was to replace the independent, heterogeneous, State-owned, telecommunications networks with an outsourced, consolidated, flexible, and efficient statewide network offering a variety of network and telecommunications services. These services are provided to the greatest extent feasible by a contractor-owned and contractor-operated network infrastructure under the oversight of the DGS/TD.

The RFP, like the network infrastructure, reflects the complexity of the government itself and the diverse missions of its agencies. The new model must be designed to address current and wherever possible, future business needs of State and local government agencies, and provide for a smooth transition to a new contract. The proposal should have capability for continuous modernization of the network infrastructure and rapid deployment of technologies and services to meet ever-increasing customer demands.

1.2 BACKGROUND

1.2.1 General Authority

The DGS/TD is authorized by the California Government Code Sections 15275-15279, and in the State Administrative Manual (SAM) Sections 4500-4555 (see <http://sam.dgs.ca.gov/TOC/4500/default.htm>) to oversee statewide telecommunications services and network deployments, to develop standards and requirements, and to acquire through effective frameworks the best overall telecommunications and network services to meet the business needs of the State. Refer to the State Management Memorandum

04-08 (http://www.documents.dgs.ca.gov/osp/sam/mmemos/MM04_08.pdf) for more information on State strategy and policy for telecommunications services. This information should provide an understanding of the current State vision and strategy for provision of these services.

The State Chief Information Officer has drafted the California State Information Technology Strategic Plan (ITSP) that, among other things, is consistent with the current state policy to use consolidated network(s) as outlined in MM 04-08. (See ITSP Goal #4, Objective 2, available at <http://www.cio.ca.gov>.) The ITSP is being submitted to the governor for review and approval.

1.2.2 Current Environment

Through CALNET I, the State provides for a vast and sophisticated, strategically sourced telecommunications network infrastructure serving state, county, city, joint powers authorities and other qualified entities in California. The CALNET I network is a Wide Area Network (WAN) that distributes end-to-end voice and data services through consolidated backbones. It is privately owned, operated and maintained by the CALNET I contractor under the oversight of the DGS/TD. Individual customers purchase local network access and telecommunications services, and utilize the CALNET I backbone(s) when services are required to cross one of California's eleven Local Access and Transport Areas (LATAs).

Current services include local and long distance, toll free, calling card, simple business lines, consolidated services such as Centrex and CentraNet, voice mail, data services, Asynchronous Transfer Mode (ATM), frame relay, building wiring, consulting and other services. Two of the State's Data Centers (Stephen P. Teale Data Center (TDC) and Health and Human Services Data Center (HHSDC) are very large users of the CALNET I Contract, and in turn provide a wide variety of data services to many state and local customers.

The CALNET I Contract for telecommunications and data transport services is currently valued at approximately \$300 million dollars in annual expenditures (both state and local government). Approximately 160 state agencies and 2000 local agencies currently utilize the CALNET I Contract. State services represent about \$120 million of this total, and local services about \$180 million. In addition, about 60% of the current contract is for voice services, and 40% is for data services. Data services are growing at about 10% per year, while voice is growing at about 1%.

The State cannot guarantee the same volume of business for the CALNET II Contract, as only state agencies under the Executive Branch are required to purchase services from the Contract. Local government agencies, joint powers authorities and exempt state agencies, are not required to utilize any CALNET Contract, but many elect to do so for

the convenience of ordering services that have already been competitively bid, and the economical rates leveraged by the State's buying power through the Contract.

There is also no guarantee that the customer related information and statistics provided in this RFP will remain the same under the new Contract, although retention of the current business is expected and desirable. The amount of business generated by the successful contractor will be determined in large part by the composition of their proposal, and other dynamic factors such as customer service and satisfaction, pricing strategies, breadth of the contractor's experience, and ability to provide the desired services.

All of the above groups are considered to be important to the success of both the current and proposed CALNET Contract, and therefore, their needs should be anticipated in the submitted proposals.

1.2.3 Selecting the CALNET II Approach

The DGS/TD teamed with members of the DGS Procurement Division and the DGS Office of Legal Services to develop this RFP and to make the eventual award. An independent consultant was obtained to assist DGS in developing the RFP and to help ensure its timely release. An Executive Steering Committee consisting of the DGS Director, Chief Deputy Director, the Deputy Directors of the Procurement and Telecommunications Divisions, and the Office of Legal Services, helped guide the CALNET II Team. The State and Consumer Services Agency also took on a close oversight role, hiring an outside legal consultant to review the RFP and assist in developing the model contract language.

This RFP is also the result of long hours of research by the DGS team, with special consideration of vendor and customer feedback. A significant amount of information was obtained in face-to-face meetings with the Customer Advisory Group (CAG) formed for the purpose of sharing information. The CAG members consist of the State Chief Information Officer and state and local government members from the TDC, HHSDC, Department of Transportation, Employment Development Department, Department of Justice, Department of Motor Vehicles, Franchise Tax Board, Department of Corrections, California Highway Patrol, Department of Water Resources, Lottery Commission, Office of Emergency Services, and the California Health and Human Services Agency. Local agencies included the counties of Los Angeles, Riverside, Nevada, Contra Costa, and the City of Sacramento.

An RFI was released in March of 2004, and comments were received from a variety of vendors and customers. Research through meetings, web searches and other means was also conducted, including the Federal Telecommunications System (FTS), other state's systems and approaches, and a variety of trade journals, news articles, and other resources. In addition, DGS has a wealth of experience, knowledge and lessons learned

from the CALNET I Contract on which to draw its insight. The DGS/TD is therefore, in the unique position of understanding firsthand the numerous challenges presented in meeting the network and telecommunications needs of California government.

The CALNET Team especially appreciates the information that was provided by CALNET I customers, potential customers and vendors. The information was key to complete our understanding of the challenges and successes of CALNET I. Some of the information and feedback was conflicting and/or mutually exclusive, so it was no easy task to balance individual customer and statewide needs in the relatively short timeframe available to develop the RFP and to award such an important and complex Contract. The team has tried to consider all viewpoints to satisfy competing interests to the extent possible, while keeping foremost the best interests of the State in mind. This RFP reflects the results of these efforts, and the procurement process still to come will provide opportunities for further refinement through ongoing feedback and dialogue.

1.2.4 The General CALNET II Approach

The CALNET II Contract is planned for award to a single primary contractor (with any needed subcontractors) who will be required to provide services to all customer locations being served today. We believe that this RFP offers creative solutions to maintain competition, and will keep prices low and quality high. Many of the same or similar requirements under CALNET I will also be required under CALNET II, but there will be some differences. A few of the major approaches are outlined below.

The new Contract is planned to be non-exclusive with no minimum guarantees to the contractor for revenues or quantities of services ordered, and most services will not be subject to term commitments. It is expected that these conditions will help to place continual market pressure upon the successful contractor to provide the best services at the lowest costs so as not to lose the business to competitors. It is also expected however, that the winning contractor will be given the opportunity within the contract terms, to meet customer business needs (e.g. provide lower pricing and/or provide the needed services) before other alternatives are selected.

Other contractual opportunities outside of CALNET II may be made available that would include adding new technologies, equipment or other services not already competitively bid through CALNET II.

As outlined in MM 04-08, the State expects, among other things, consolidated telecommunications services. Consolidation leverages the State's buying power, so a primary backbone network is optimal, and consolidated line-side services are highly encouraged in those locations where it is available and economically feasible (currently CALNET I has 77 consolidated central office exchanges around the state). As needed, a

variety of vendors can work with a primary bidding partner to create competitive consolidated solutions and meet the outlined requirements.

The contract length is planned for five years with two one-year options (5+1+1). The base period and options provide Bidders with an assurance of five years, and a possibility of seven years over which revenue may be generated. This term should be long enough to allow most Bidders to recoup their anticipated investment, while offering competitive rates. The State expects that the CALNET II proposals will reflect overall lower pricing than currently available on the CALNET I Contract, and will offer discounted pricing based on the anticipated **total volume of the Contract** now and throughout the new contract period.

The transition from the existing service providers to the new CALNET II Contractor will be at no additional cost and should provide minimal disruption to State and local agencies. The contractor will be required to maintain or replace the existing contracted services under CALNET I, maintain current telephone numbers, and train users on the new systems at no additional cost. If the successful contractor bids a solution that is not consistent with existing agency owned equipment and environments, they will also be required to replace or provide the equipment needed to accomplish the transition at no additional cost. Transition and implementation of the CALNET II solution should commence as quickly as possible, and is expected to be completed within 12 to 18 months after award.

This information is not comprehensive, so please read the RFP carefully to discern other details and requirements.

1.2.5 Movement Toward Convergence and Other Considerations

The DGS/TD considers the convergence of voice and data services to be very important in how services should ultimately be provided within California government; however, it is determined to be risky and impractical to move on a wholesale basis from the current environment directly to converged services that could have a significant fiscal or operational impact upon government agencies.

Many discussions were held about the right time for the State to implement converged services, and how that could best be accomplished. The DGS/TD recognizes that some customer agencies are anxious to converge services as soon as possible (a very small number already have some converged services), while there are many other customers that may not require a move to convergence for quite some time because it is not necessary to meet their business needs and/or it is not cost effective. For instance, some services that hold promise for eventual statewide benefit such as Voice over Internet Protocol (VoIP) and integrated messaging, are not yet ready for mainstream

implementation in State government at present, but are most likely initially useful on a limited basis for specific customers.

There are also many regulatory issues, cost, usage and deployment factors that make wholesale convergence a difficult and daunting prospect. The regulatory environment is uncertain. Changes to the Federal Telecommunications Act of 1996, and other Federal Communications Commission (FCC) and California Public Utilities Commission (CPUC) rules on Internet Protocol (IP) based services, local access, the cost of reselling other telephone exchange carriers' facilities-based services, and other issues that are rapidly changing the telecommunications environment are not reliably predictable by industry analysts. The State will need to monitor, evaluate and act appropriately on these issues as they evolve and become more established.

Therefore, in most cases, to avoid risks to customers and/or potential service interruptions, it is not in the best interests of the State to immediately implement converged services that may not be sufficiently mature, to make fundamental shifts where regulatory issues have not been resolved, or where costs are significant or unable to be clearly quantified. These factors will need time to be resolved to avoid needless risk to operations or expenditure of unnecessary funds by moving too quickly.

The CALNET II Contract is expected to provide the means and the flexibility for government customers to obtain converged services (such as VoIP) when the time is right within their organizations to do so, rather than imposing a global statewide requirement upon transition to the new MSA. Provisions will be made to pilot or otherwise begin to gradually incorporate converged services for those agencies that have identified business needs and are ready. The DGS/TD also plans to work with customers on an ongoing basis to assess VoIP and similar services and technologies in specific pilots and trials, evaluate the results and the potential for customer-specific or statewide applications under the CALNET II Contract. For responders to this RFP, this approach is very important to consider in developing proposals and transition plans.

1.3 PROJECT SCOPE

This RFP encompasses the continuation of most of the CALNET I Contract suite of services and additional new services to fulfill current and future telecommunications requirements. In addition to network and telecommunications services, the Contract will include but is not limited to the coordination of activities that result in the complete transition to the awarded contractors' services, ongoing end-user support, continued service provisioning, marketing services, oversight reports, training, documentation, network operations maintenance and management, Service Level Agreements (SLAs), and invoicing services as further defined in Section IV, Proposed Environment, and Section VI, Business and Technical Requirements.

This RFP is being conducted under the policies developed by the Department of Finance and procedures developed by the Department of General Services as provided under Public Contract Code Section 12100 et seq., "The Acquisition of Information Technology Goods and Services" available at <http://www.leginfo.ca.gov/calaw.html>. State Administrative Manual (SAM) Chapters 4800 and 5200 also outline the acquisition of technology goods and services. See SAM Table of Contents at <http://sam.dgs.ca.gov/TOC/default.htm>.

This RFP contains the instructions governing the requirements for a firm quotation to be submitted by interested Bidders. The format that bid information is to be submitted and the material to be included therein, follows in Section VIII of this RFP. This RFP also addresses the requirements that Bidders must meet to be eligible for consideration, as well as the Bidders' responsibilities before and after implementation.

This RFP, the evaluation of responses, and the award of any resultant contract shall be made in conformance with current competitive bidding procedures as they relate to the procurement of goods and services by public bodies in the State of California. A Bidder's Final Proposal is an irrevocable offer for 180 days following the scheduled date for contract award as specified herein. A Bidder may extend the offer in the event of a delay of contract award.

This procurement will follow a phased approach designed to increase the likelihood that Final Proposals will be received without disqualifying defects. The additional step(s) will (1) ensure that the Bidders clearly understand the State's requirements before attempting to develop their final solutions; (2) ensure that the State clearly understands what each Bidder intends to propose before their proposals are finalized; and (3) give the State and each Bidder the opportunity to discuss weaknesses or potentially unacceptable elements of a Bidder's proposal and give the Bidder the opportunity to modify the proposal to correct such problems. The following phases, as outlined in Section II, will be conducted in this RFP process:

1. Compliance Phase consisting of a Conceptual and Detailed Technical Proposal
2. Final Phase consisting of a Draft Bid and a Final Bid

IF A BIDDER EXPECTS TO BE AFFORDED THE BENEFITS OF THE STEPS INCLUDED IN THIS RFP, THE BIDDER MUST TAKE THE RESPONSIBILITY TO:

- **CAREFULLY READ THE ENTIRE RFP**
- **IF CLARIFICATION IS NECESSARY, ASK APPROPRIATE QUESTIONS IN A TIMELY MANNER**
- **SUBMIT ALL REQUIRED RESPONSES, COMPLETE TO THE BEST OF BIDDERS ABILITY, BY THE REQUIRED DATES AND TIMES**
- **MAKE SURE THAT ALL PROCEDURES AND REQUIREMENTS OF THE RFP ARE ACCURATELY FOLLOWED AND APPROPRIATELY ADDRESSED; AND**
- **CAREFULLY REREAD THE ENTIRE RFP BEFORE SUBMITTING EACH BID.**

1.4 PROCUREMENT OFFICIAL

The Procurement Official and the respective addresses for delivering or mailing proposals, questions or copies of protests is:

Express mail/courier service

packages, e.g. Federal Express or UPS

Steven Casarez
DGS, Procurement Division
Technology Acquisitions Section
707 3rd Street, 2nd Floor
West Sacramento, CA 95605
Phone: 916-375-4481
E-mail: steve.casarez@dgs.ca.gov

US Mail

Steven Casarez
DGS, Procurement Division
Technology Acquisitions Section
P.O. Box 989054
West Sacramento, CA 95798-9054
Phone: 916-375-4481
E-mail: steve.casarez@dgs.ca.gov

Secondary Contact:

Ila Parisek
DGS, Procurement Division
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707 3rd Street, 2nd Floor
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Phone: 916-375-4332
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DGS, Procurement Division
Technology Acquisitions Section
P.O. Box 989054
West Sacramento, CA 95605
Phone: 916-375-4332
E-mail: Ila.parisek@dgs.ca.gov

1.5 KEY ACTION DATES

The RFP and the key action dates are posted on the web at <http://www.dgs.ca.gov/td>. Click on the Office of Network Services then go to the CALNET II homepage.

Below is a table listing the important “key” action items with dates and times that the State will follow while conducting this RFP process. Bidders must adhere to the dates and times when completing specified tasks that are listed in the table. If the State finds it necessary to change any of these dates up to and including the date for Submission of Final Proposals, it will be accomplished via an addendum to this RFP.

PLEASE NOTE, HOWEVER, THAT ALL DATES AFTER THE FINAL PROPOSAL SUBMISSION DEADLINE ARE APPROXIMATE AND MAY BE ADJUSTED AS CONDITIONS INDICATE, WITHOUT ADDENDUM TO THIS RFP.

KEY ACTION DATES:

<u>ACTION</u>	<u>DATE/TIME</u>
1. Release of RFP	November 8, 2004
2. Last Day to Submit Questions for Clarification at Bidders Conference	November 17, 2004
3. Bidders Conference (see Section 1.6)	December 2, 2004
4. Final Date to Submit Requests to Change the RFP Requirements ¹	January 14, 2005
5. Last day to submit Letter of Intent to Bid, signed Confidentiality and Non-Disclosure Agreement, Financial Responsibility Information, and evidence of CPUC certification to provide services (Pre-qualification Documentation) ²	January 18, 2005
6. Last day for State to respond to Requests to Change RFP Requirements	January 28, 2005
7. Last Day to Protest the RFP Requirements ¹	February 4, 2005
8. Addendum to Revise RFP	September 1, 2005
9. Last Day to Protest RFP Requirements ¹	September 15, 2005
10. Last day to submit new Letter of Intent to Bid, signed Confidentiality and Non-Disclosure Agreement, and Financial Responsibility Information. (Pre-qualification Documentation). ² (Not required from bidders that have already provided this information for this RFP.)	September 16, 2005
11. Submission of Conceptual Proposal	October 3, 2005
12. Submission of Proposed Changes to Contract Language	October 3, 2005
13. Confidential Discussions with Individual Bidders regarding Conceptual Proposals	October 31, 2005 – November 14, 2005
14. Last day for State Response to Contract Language Change Requests	November 16, 2005
15. Submission of Detailed Technical Proposals	December 12, 2005
16. Confidential Discussions regarding Detailed Technical Proposals	January 16, 2006 – February 13, 2006
17. Submission of Draft Proposals	March 13, 2006

¹ OR five business days following the last addendum that changes the requirements of the RFP. See Section 2.2.6, Questions Regarding the Solicitation, and Section 2.5.1, Initial Protest.

² See Exhibits 1-A, 1-C, 1-D, and RFP Sections 6.2.1.1 and 6.2.1.2

<u>ACTION</u>	<u>DATE/TIME</u>
18. Confidential Discussions regarding Draft Proposals	April 10, 2006 – May 8, 2006
19. Submission of <u>Final</u> Proposals (by 5:00 PM) ³	June 5, 2006
20. Demonstration (if required) ⁴	July 3, 2006 – July 17, 2006
21. Public Cost Opening ⁴	July 21, 2006
22. Notification of Intent to Award (Subject to 6611 negotiations) ^{4,5}	August 24, 2006
23. Last Day to Protest Selection ⁴	August 31, 2006
24. Contract Award and Execution ⁴	September 15, 2006

1.6 BIDDERS CONFERENCE

Bidders will be afforded the opportunity to meet with State personnel to discuss the content of the bid and the procurement process. Written questions received prior to the conference will be answered and posted on the CALNET II homepage or answered at the conference without divulging the source of the query. The State may also accept oral questions during the conference and attempt to provide answers during the conference. Oral answers shall not be binding on the State. A sign-in sheet will be provided to document attendance.

Time: 10:00 AM to 12:00 PM
Date: December 2, 2004
Place: Dept of General Services
Ziggurat Auditorium
707 3rd Street
West, Sacramento, CA 95605

1.7 INTENT TO BID

Bidders that want to participate in the RFP steps must submit a notification of intent to bid on this procurement in accordance with the Bidder's Intent to Submit a Proposal contained in this section, to receive additional information. Only those Bidders acknowledging interest in this RFP will receive additional correspondence regarding this procurement.

³ Bidders are strongly encouraged to review the Bidder's final proposal checklist; Exhibit 1-B, prior to submitting final proposals.

⁴ These dates are subject to change dependent upon the length of time necessary for the State to complete the evaluation process (and negotiations if initiated by DGS). Bidders will be notified via e-mail of any changes.

⁵ DGS reserves the right, in its sole discretion, to engage in negotiations pursuant to Public Contract Code Section 6611 and the guidelines and procedures adopted in accordance therewith including, but not limited to, Administrative Order 05-01 (issued February 7, 2005) or any amendments or replacements thereto.

The letter should identify the contact person for the solicitation process, plus include a phone and fax number. There is to be only one (1) contact person during the RFP process. Information relating to a Bidder will only be given to the designated contact person.

It shall be the Bidder's responsibility to immediately notify the State Procurement Official, in writing, regarding any revision to the information pertaining to the designated contact person.

The State shall not be responsible for proposal correspondence not received by the Bidder if the Bidder fails to notify the State, in writing, about any change pertaining to the designated contact person.

1.8 FINANCIAL RESPONSIBILITY INFORMATION

Financial Statements from Bidder

The Bidder must provide financial statements giving the State enough information to determine financial stability. See Exhibit I-C, STATEMENT OF EXPERIENCE AND FINANCIAL CONDITION, which may be used for this purpose. These statements may include, but are not limited to:

1. Financial Statement or Annual Report or Form 10K for the last two (2) years;
2. Statement of income and related earnings;
3. Statement of Changes in financial position;
4. Letter from the Bidder's banking institution;
5. Statement from certified public accounting firm.

If information submitted by the Bidder, or available from other sources is insufficient to satisfy the State as to the Bidder's financial responsibility, the State may request additional information from other sources or reject the bid as unsatisfactory to reliably establish contractor responsibility. The State's determination of the Bidder's responsibility, for the purposes of this RFP, shall be final.

NOTE: Any of the submitted financial information identified by the Bidder as confidential, shall be treated as such by the State and returned upon request after the Bidder's responsibility has been determined.

1.9 AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE**POLICY OF NONDISCRIMINATION ON THE BASIS OF DISABILITY**

To meet and carry out compliance with the nondiscrimination requirements of Title II of the Americans with Disabilities Act (ADA), it is the policy of the Procurement Division (within the State Department of General Services) to make every effort to ensure that its programs, activities, employment opportunities, and services are available to all persons, including persons with disabilities.

For persons with a disability needing reasonable accommodation to participate in the Procurement process, or for persons having questions regarding reasonable accommodation for the Procurement process, please contact the Procurement Division at (916) 375-4400 (main office); the Procurement Division TTY/TDD (telephone device for the deaf) and California Relay Service numbers are listed below. You may also contact directly the Procurement Division contact person that is handling this procurement.

IMPORTANT: TO ENSURE THAT WE CAN MEET YOUR ACCOMMODATION, IT IS BEST THAT WE RECEIVE YOUR REQUEST AT LEAST **10 WORKING DAYS** BEFORE THE SCHEDULED EVENT (i.e., MEETING, CONFERENCE, WORKSHOP, etc.) OR DEADLINE DUE-DATE FOR PROCUREMENT DOCUMENTS.

The Procurement Division TTY telephone numbers are:

Sacramento Office: (916) 376-1891

Fullerton Office: (714) 773-2093

The California Relay Service Telephone Number is:

Voice, TTY or STS: 7-1-1

EXHIBIT 1-A

LETTER OF INTENT TO BID

Reference: This is to notify you that it is our present intent to (*Bidder shall specify*) {**submit or *not submit**} information in response to the above referenced RFP. The individual to whom all information regarding this RFP should be transmitted is:

Name: _____

Address: _____

City, State, & Zip: _____

Phone Number: _____ Fax Number: _____

E-mail address: _____

We are enclosing, as requested, the following completed documents:

- a) Statement of Experience and Financial Condition (includes Financial Statements); and
- b) Signed Confidentiality and Non-Disclosure Agreement

***If declining to bid, please state reason(s) why:**

Sincerely,

Name (Signature)

Typed Name and Title

Company

(____)_____
Phone Number

(____)_____
Fax Number

EXHIBIT 1-B

BIDDER'S FINAL PROPOSAL CHECKLIST

- DOES YOUR FINAL PROPOSAL SUBMITTAL DOCUMENTATION FOLLOW THE FORMAT SPECIFIED IN SECTION 8 (PROPOSAL FORMAT) IN THE RFP?
 - COVER LETTER WITH ORIGINAL SIGNATURE INCLUDED?
 - LABELED VOLUMES AS IDENTIFIED AND IN THE SPECIFIED NUMBER OF COPIES?
 - NO COST DATA PROVIDED IN ANY VOLUMES EXCEPT VOLUME 3 OF THE FINAL PROPOSAL
- IS THE CONTRACT IN YOUR FINAL PROPOSAL AND IN ORDER?
 - CONTRACT SIGNED BY AN INDIVIDUAL AUTHORIZED TO BIND THE FIRM?
 - HAVE ALL BLANK AREAS IN THE CONTRACT LANGUAGE BEEN COMPLETED?
 - HAVE THE COSTS FOR ALL EQUIPMENT AND SERVICES BEING OFFERED IN THE FINAL PROPOSAL BEEN IDENTIFIED IN THE SEPARATELY SEALED COST VOLUME?
 - HAVE THE CALCULATIONS FOR THE ABOVE COSTS BEEN CHECKED FOR ACCURACY?
- BONDS AND OTHER SECURITY DOCUMENTS REQUIREMENT SATISFIED?
- CONTRACTOR LICENSE INFORMATION COMPLETED?

NOTE: IN THE STATE'S DVBE (DISABLED VETERAN BUSINESS ENTERPRISE) REQUIREMENT ATTACHMENT, IS THE "*DOCUMENTATION CHECKLIST AND COMPLIANCE RECOMMENDATIONS*" FOR ASSISTING BIDDERS IN THE COMPLETION AND SUBMISSION OF REQUIRED DOCUMENTS FOR THE REQUIREMENT.

BIDDERS: THE STATE MAKES NO WARRANTY THAT THE CHECKLIST IS A FULL COMPREHENSIVE LISTING OF EVERY REQUIREMENT SPECIFIED IN THE SOLICITATION. CHECKING OFF THE ITEMS ON THE CHECKLIST DOES NOT ESTABLISH YOUR FIRM'S INTENT NOR DOES IT CONSTITUTE

RESPONSIVENESS TO THE REQUIREMENT(S). THE CHECKLIST IS ONLY A TOOL TO ASSIST PARTICIPATING BIDDERS IN COMPILING THEIR FINAL PROPOSAL RESPONSE. BIDDERS ARE ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION. THE NEED TO VERIFY ALL DOCUMENTATION AND RESPONSES PRIOR TO THE SUBMISSION OF FINAL PROPOSALS CANNOT BE OVER EMPHASIZED.

STATEMENT OF EXPERIENCE AND FINANCIAL CONDITION**SUBMITTED BY:**

NAME OF FIRM:

ADDRESS:

DATES OF FINANCIAL STATEMENTS:

PRIVACY NOTIFICATION

The State of California Information Practices Act of 1977 requires the State to provide the following information to individuals who are asked to supply information about themselves:

The principal purpose for requesting the information on this form is to provide financial information to determine financial qualification. State policy and State and federal statutes authorize maintenance of this information.

Furnishing all information on this form is mandatory. Failure to provide such information will delay or may even prevent completion of the action for which the form is being filled out.

The official responsible for maintaining the information contained in this form is:

Steven Casarez

The State will treat all financial information provided as confidential when designated as such. This information will only be shared with State personnel involved in the evaluation. All financial data will be returned or destroyed if requested. Vendors may be required to provide additional financial data as part of the RFP.

EXHIBIT 1-C, (CONTINUED)

Page 2

STATEMENT OF EXPERIENCE AND FINANCIAL CONDITION (Continued)
REQUIREMENTS

Attach Financial Statements for the last two complete tax years, accompanied by the following statement which has the title(s) and signature(s) of the individual(s) who (prepared/examined/reviewed) the statements:

“We have **(prepared/examined/reviewed)** the balance sheets of **(Bidder)** as of **(date)** and the related statements of income, retained earnings and changes in financial position for the last two years.

In **(my/our)** opinion, the financial statements mentioned represent fairly the financial position of **(Bidder)** as of **(date)** and the results of its operations and changes in its financial position for the last two years, in conformity with generally accepted accounting principles applied on a consistent basis.”

Name of Company:

Address:

Signature(s) and Title:

Date:

EXHIBIT 1-D

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT (the "Agreement") is entered into as of _____, _____ by and between the State of California, through its Department of General Services, Telecommunications Division ("the State"), and _____, a _____ corporation, having offices and a place of business at _____ ("Company").

RECITALS:

A. The State has issued a Request for Proposals ("RFP") from individual companies or strategic teams interested in supplying network and telecommunications services to the State in replacement of the State's existing California Integrated Information Network (CALNET I) Master Services Agreement (the "Transaction");

B. To assist such companies and strategic teams in responding to the RFP and otherwise evaluating the Transaction, the State is prepared to make available certain business, financial, and technical information; and

C. The State is willing to furnish such information on the condition that it remain strictly confidential in accordance with the terms and conditions set forth below.

AGREEMENTS:

NOW, THEREFORE, Company hereby agrees as follows:

1. Definitions. As used herein:

- (a) "Affiliate" shall mean any Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with Company. "Control" (including the terms "controlled by" and "under common control with") shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.
- (b) "Confidential Information" shall mean any and all commercial, financial, technical, or other documents, diagrams, information and information storage media provided or otherwise made available by the State to Company, whether on, before or after the date hereof; and additionally includes all such information to the extent included in analyses, compilations, studies, or other materials prepared by Company or any Representatives of Company containing or based in whole or in part on any of the information furnished by the State. Confidential Information shall further include all

information learned by Company from State employees or through the inspection of State property relating to the Transaction.

- (c) “Excluded Information” shall mean information, if any, that would otherwise constitute Confidential Information and that (i) is or becomes generally available to or known by the public other than as a result of a disclosure made by Company or its Representatives in breach of this Agreement; (ii) was available to Company on a nonconfidential basis prior to disclosure to Company by the State; (iii) is or was disclosed to Company on a nonconfidential basis from a source other than the State provided that Company is not, in good faith after reasonable inquiry, aware that such source is or was then bound by a confidentiality agreement with the State or otherwise prohibited from transmitting the information to Company by any contractual, legal, or fiduciary obligation or by any other obligation enforceable by law or in equity; (iv) was or is hereafter disclosed by the State to a third party who is not bound by similar restrictions on use and disclosure as set forth in this Agreement; or (v) is hereafter, or was heretofore, independently developed or compiled by Company without the aid, application, or use of the Confidential Information. In the event of a dispute or litigation between the parties, Company shall have the burden of proving by clear and convincing evidence that any information disclosed or used by Company or its Representatives and claimed to be excluded under this Subsection (c) is not in fact Confidential Information or a derivative of Confidential Information.
 - (d) “Representatives” of a party shall mean any or all of the following representatives of such party: directors, officers, employees, agents, attorneys, accountants, consultants, bankers, lenders, business advisers, financial advisers, scientific advisers, technical advisers, subcontractors and any Person with which Contractor has entered into a joint venture. Representatives shall also include the Representatives (as defined in the preceding sentence) of Company’s Affiliates.
 - (e) “Person,” whether or not the term is capitalized, will be interpreted very broadly and will include, but not be limited to, any individual, corporation (including a business trust), partnership, joint stock company, limited liability company, trust, estate, unincorporated association, joint venture, or other entity, or a government or any political subdivision or agency thereof, whether or not any such person is an officer, director, employee, or agent of the State.
2. Non-Disclosure. Company agrees to safeguard the confidentiality of the Confidential Information and not to disclose any part of it to any Person except to such of Company’s Representatives as need to know such information for the purposes of responding to the RFP, evaluating the Transaction or advising Company with respect to the Transaction and who have obligated themselves to hold the Confidential Information in confidence and only as permitted hereunder. Company shall be responsible for breach of this Agreement by any such Representatives.

3. Use of Confidential Information. Neither Company nor its Representatives will use the Confidential Information, directly or indirectly, for any purpose other than responding to the RFP and evaluating a possible Transaction between the State and Company without the prior written consent of the State. Such use shall cease at any time when the State notifies Company that the State is no longer interested in receiving RFP responses or evaluating a Transaction, or Company notifies the State that Company is no longer interested in responding to the RFP or evaluating a Transaction.
4. Return of Confidential Information. Promptly upon the request of the State, Company will return to the State all copies of the Confidential Information furnished to Company by the State, together with all copies of any of the same, or any part thereof, made by Company or its Representatives. All notes, studies, reports, memoranda, and other documents prepared by Company or its Representatives that contain or reflect the Confidential Information shall also be returned to the State or destroyed and certified as such to the State, to the extent they contain Confidential Information.
5. Non-Disclosure of Existence of Negotiations. Without the prior written consent of the State, Company shall not, and shall direct its Representatives not to, disclose to any person, other than as provided in Section 2 and Section 6, (i) the fact that Company has received the Confidential Information, (ii) that discussions or negotiations are taking place concerning a possible Transaction, or (iii) any of the terms, conditions, or other facts with respect to any such possible Transaction, including the status of discussions or negotiations.
6. Subpoena; Court Order; Other Legal Requirement. If a court of competent jurisdiction or any other governmental agency serves Company or its Representatives with a subpoena or order or other compulsory instrument, or with respect to clause (b) or (c) below, counsel for any such party advises such party that such party has a legal obligation to disclose (a) all or any part of the Confidential Information, (b) the fact that the Confidential Information has been made available to Company, or (c) any of the terms, conditions, or other facts with respect to any such possible Transaction, including the status of discussions or negotiations, Company and its Representatives, as the case may be, will: (i) provide the State with prompt written notice of the existence, terms, and circumstances surrounding such request or requirement; (ii) consult with the State on the advisability of taking steps to resist or narrow that request; (iii) if disclosure of Confidential Information is required, furnish only such portion of the Confidential Information as Company counsel advises in writing that Company is legally required to disclose; and (iv) cooperate with the State, at the request of the State and at the State's expense, in the State's efforts to obtain an order excusing the Confidential Information from disclosure, or an order or other reliable assurance that confidential treatment will be accorded to that portion of the Confidential Information that is required to be disclosed.

7. Warranty by Company. Company warrants that a duly authorized representative or corporate officer of Company has entered into this Agreement on behalf of Company and has the full and complete authority to bind Company to the terms and conditions hereof.
8. Disclaimer of Warranty by the State. Neither the State nor its Representatives has made or makes any representation or warranty as to the accuracy, completeness, or value of the Confidential Information. COMPANY AGREES THAT NEITHER THE STATE NOR ANY OF ITS REPRESENTATIVES SHALL HAVE ANY LIABILITY TO COMPANY OR ANY OF ITS REPRESENTATIVES RESULTING FROM COMPANY'S USE OF THE CONFIDENTIAL INFORMATION, EXCEPT AS PROVIDED IN A FURTHER AGREEMENT BETWEEN THE PARTIES HERETO.
9. Definitive Agreement. Unless and until a definitive written agreement between the State and Company with respect to a Transaction has been executed and delivered, neither the State nor Company will be under any legal obligation of any kind whatsoever with respect to such a Transaction by virtue of this or any other written or oral expression by either of them or their Representatives except, in the case of Company and this Agreement or any other written agreement, for the matters specifically agreed to herein or therein.
10. Assignability. This Agreement shall be binding upon and inure to the benefit of the parties, their legal representatives, successors, and assigns. Except as otherwise expressly provided herein, neither this Agreement nor any rights granted hereunder may be assigned, transferred, conveyed, or encumbered, whether voluntarily or by operation of law, by Company without the prior written consent of the other, and any attempt to do so will be deemed null and void.
11. Audits. From time to time, the State or its designee may audit or otherwise inspect Company's compliance with the terms of this Agreement. Company shall grant the State or its designee full and complete access to Company's books and records, and other documents of Company, as they may be required in order for the State to ascertain any facts relative to Company's compliance with the terms of this Agreement. Company shall provide the State or its designee such information and assistance as reasonably requested by the State to perform such audits.
12. Acknowledgement. Company acknowledges and understands that failure to comply with the terms of this Agreement may subject Company or its Representatives to criminal liability.
13. Indemnity by Company. Company will, at its expense, indemnify, defend and hold the State and its Representatives harmless from any action or claim brought against the same, and any resulting damages, expenses, costs, judgments and settlements (including reasonable attorneys' fees), to the extent that it arises from the breach or alleged breach by Company, its Affiliates, or their respective Representatives, of the terms and conditions of this Agreement.

14. Injunctive Relief. Company acknowledges that if this Agreement is breached, the State could not be made whole by monetary damages. Accordingly, the State, in addition to any other remedy to which it may be entitled by law or in equity, shall be entitled to seek an injunction to prevent breaches of this Agreement, and to an order compelling specific performance of this Agreement. Company acknowledges and agrees that: (a) the Confidential Information is proprietary to and valuable information of the State; (b) the State derives economic value from the Confidential Information not being generally known to other persons who can obtain economic value from its disclosure or use; (c) any disclosure or unauthorized use of the Confidential Information could cause irreparable harm and loss to the State; (d) monetary damages would be inadequate to compensate the State for a breach of this Agreement; and (e) in addition to any other remedy available in law or in equity, the State shall be entitled to injunctive relief in order to enforce the terms of this Agreement. Company shall reimburse the State for all costs and expenses, including attorney's fees, incurred by the State in enforcing the obligations of Company and its Representatives hereunder.
15. Notices, Etc. All notices, demands, and other communications provided for hereunder shall be in writing (including facsimile or similar transmission) and mailed (by U.S. certified mail, return receipt requested, postage prepaid), sent, or delivered (including by way of overnight courier service), (a) if to the State, to Department of General Services, Office of Legal Services, 707 Third Street, Suite 7-330, West Sacramento, CA 95605, and in the case of facsimile transmission, to telecopy number (916) 376-5088; and (b) if to Company, to _____, and in the case of facsimile transmission, to telecopy number _____, in each case to the attention of _____, or, as to each party, to such other person and/or at such other address or number as shall be designated by such party in a written notice to the other party. All such notices, demands, and communications, if mailed, shall be effective upon the earlier of (i) actual receipt by the addressee, (ii) the date shown on the return receipt of such mailing, or (iii) five (5) days after deposit in the mail. All such notices, demands, and communications, if not mailed, shall be effective upon the earlier of (a) actual receipt by the addressee, or (b) with respect to facsimile and similar electronic transmission, the time that electronic confirmation of a successful transmission is receipted as received.
16. Entire Agreement. This Agreement constitutes the entire understanding and agreement between the State and Company and supersedes all previous understandings, agreements, communications, and representations, whether written or oral, concerning the treatment of information and other matters to which this Agreement relates. The rights and obligations provided by this Agreement shall take precedence over, and shall be applied in addition to, any specific legends or statements associated with the Confidential Information when received.
17. Amendments, Etc. No modification, amendment, or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by Company

and the State. Any waiver of any provision of this Agreement shall be effective only in the specific instance and for the specific purpose for which given.

18. No Waiver; Remedies. No failure on the part of either party to exercise, and no delay in exercising, any right, power, or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.
19. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, USA and no action involving this Agreement may be brought except in the state and federal courts located in Sacramento County, California, USA.
20. Severability. Any provision of this Agreement that is prohibited, unenforceable, or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability, or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability, or legality of such provision in any other jurisdiction.
21. No License. Except for the limited right to use the information disclosed under this Agreement granted herein, no right or license, either express or implied, under any patent, copyright, trade secret, or proprietary information is granted hereunder. All Confidential Information shall remain the property of the State at all times.
22. Survival. The obligations of Company under the terms of this Agreement shall continue for so long as any Confidential Information continues to exist.
23. Captions. The captions contained in this Agreement are for convenience only and shall not affect the construction or interpretation of any provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by a duly authorized representative of Company to become effective as of the date first referenced above.

COMPANY:

Company Name: _____

By (signature): _____

Print Name: _____

Title: _____

Date: _____